

CONDENSED TRANSCRIPT

Deposition of: Ronald M. Gonda

September 10, 2003

Ronald M. Gonda vs.
Metropolitan Life Insurance Company, et al.

**Powers
Garrison &
Hughes**

Court Reporting & Video Services

600 Warner Centre

332 Fifth Avenue

Pittsburgh, PA 15222

412-263-2088

**THIS TRANSCRIPT HAS BEEN
LOADED INTO SUMMATION**

SEP 25 2003

www.pghdepo.com

Ronald M. Gonda
September 10, 2003

Ronald M. Gonda v.
Metropolitan Life Insurance Company, et al.

Page 21

1 R. Gonda - by Ms. Lipman
2 Q. Mr. Gonda, let me just use this
3 binder, representing to you that Exhibits 1 and
4 2 are the last two pages in here.
5 Do you recall receiving this binder
6 from Mr. Friedt during the meeting at your
7 house?
8 A. Yeah. In the second meeting, I
9 think.
10 Q. It was at the meeting?
11 A. Second one.
12 Q. The second one. Did you receive
13 anything at the first meeting?
14 A. No. We just talked.
15 Q. What did you talk about?
16 A. He said about the policy being paid
17 up inside of ten years.
18 Q. Did you discuss how it would be paid
19 up in ten years?
20 A. Like 50 bucks a month.
21 Q. So you discussed that if you paid
22 premiums of \$50 a month, the policy would be
23 paid up after ten years?
24 A. Yeah.
25 Q. Did you discuss with Mr. Friedt how

Page 22

1 R. Gonda - by Ms. Lipman
2 premiums would be paid after ten years?
3 A. Policy would be done after ten
4 years; paid up. It was like a retirement
5 thing. The policy, it was like he sold it back
6 so I got \$1800 out of it. He said the policy
7 is paid up for three years, and I only have
8 seven years to go and it will be paid up.
9 Q. When you say it was supposed to be a
10 retirement kind of thing, what kind of
11 retirement kind of thing was it supposed to be?
12 A. I was supposed to get like -- when I
13 was 65 I could use it for retirement. It was
14 supposed to be \$64,000 or something like that.
15 Leave it in there or take it out when I retire.
16 Q. Did he explain to you or did you
17 understand what feature of the policy permitted
18 you to take money out when you were 65?
19 A. It was a retirement thing. When I
20 retired, I could take it out.
21 Q. Did he ever discuss any terms of the
22 policy with you? For instance, did he discuss
23 dividends with you?
24 A. No.
25 Q. Did he discuss cash values with you?

Page 23

1 R. Gonda - by Ms. Lipman
2 A. No. It was supposed to be paid up
3 in ten years for 50 bucks a month.
4 Q. I think you said before and correct
5 me if I'm wrong, do you know what the term
6 dividend means?
7 A. No. What does it mean?
8 Q. I am asking you if you know.
9 A. No. Sort of like get money back if
10 you pay too much or something. Interest.
11 Q. You think that it's something to do
12 with interest?
13 A. I think.
14 Q. Do you know what cash value means?
15 A. It's when you sell something for the
16 cash.
17 Q. Do you understand the term cash
18 value in connection with life insurance?
19 A. That's how much you sell it for when
20 you sell your policy.
21 Q. Now, you said before that you had
22 two meetings with Mr. Friedt. Concentrating on
23 the first meeting, did you discuss your present
24 Pruco policy with him?
25 A. Yes.

Page 24

1 R. Gonda - by Ms. Lipman
2 Q. What did you tell him about that
3 policy?
4 A. He told me it wasn't a very good
5 policy. It was sort of shaky because it was
6 like stock and bonds. He said this policy was
7 better (indicating).
8 Q. He said that the Pruco policy was
9 related to stock and bonds?
10 A. Yes.
11 Q. How did he tell you this policy,
12 this, meaning the MetLife policy, was better
13 than the Pruco?
14 A. This would be paid up in ten years.
15 Q. Now, did you give him or did you
16 show him the Pruco life policy at that time?
17 A. Took it with him the first time.
18 Q. What else did you discuss at that
19 meeting?
20 A. That's about it. He looked at my
21 other policy. He said that was a good one, to
22 keep that.
23 Q. When you say the other policy, you
24 are talking about the Prudential \$10,000
25 policy?

6 (Pages 21 to 24)

Ronald M. Gonda
September 10, 2003

Ronald M. Gonda v.
Metropolitan Life Insurance Company, et al.

<p style="text-align: right;">Page 57</p> <p>1 R. Gonda - by Ms. Lipman 2 that sound to you like it would be paid up in 3 ten years? 4 A. It's part of my age when I want to 5 retire. 62. It was a retirement thing. 6 Q. The policy was? 7 A. Yes. 8 Q. That's why you bought it? 9 A. Yes. 10 Q. To provide some sort of income to 11 you when you retired? 12 A. Yes. 13 Q. In addition to that, your 14 understanding of the policy was that you only 15 had to pay \$50 a month for ten years and then 16 you would have a certain amount of money 17 available to you when you retired; is that 18 right? 19 A. Yes. 20 Q. Would it be fair for me to say that 21 the amount at the front page of the policy, 22 which is the \$64,667, is the amount that you 23 thought would be available to you at 24 retirement? 25 A. Yes.</p>	<p style="text-align: right;">Page 59</p> <p>1 R. Gonda - by Ms. Lipman 2 which is the first column, shows 1801. It goes 3 from year one through year 20. Then on the 4 next page, it continues through year 40. It 5 decreases in amount in the year 28. 6 Did you have any understanding of 7 what that column meant? 8 A. I don't think so. I don't remember. 9 I don't know. 10 Q. You don't know if you discussed that 11 with Mr. Friedt? 12 A. No. I'm not sure. 13 Q. The third page of Exhibit 1, sort of 14 at the top it says, "Gross interest rate 15 required on a hypothetical." 16 Did you discuss anything with Mr. 17 Friedt related to interest rates? 18 A. No. 19 Q. Did you discuss with Mr. Friedt that 20 maybe this document was a hypothetical? 21 A. I'm not sure. I don't know. 22 Q. Did he ever use the word 23 "hypothetical" with you? 24 A. I don't think so. No. 25 Q. Other than what -- you can put that</p>
<p style="text-align: right;">Page 58</p> <p>1 R. Gonda - by Ms. Lipman 2 (Attorney/client discussion off 3 record. 4 MS. ERNSBERGER: Wait until she 5 asks you a question. 6 Q. Let's go back to this document, 7 Exhibit 1. And Exhibit 2. Take a look at 8 that. Looking at the document that's been 9 marked Exhibit 2, Mr. Gonda, there is a column 10 that says net payment, \$1801. It goes from 11 year one through year ten. 12 Do you see that? 13 A. Yes. 14 Q. Do you think that this document was 15 the basis of your understanding that you only 16 had to pay for ten years? 17 A. That's what he told me, ten years. 18 Q. Do you know what the \$1801 figure 19 is? 20 A. No. 21 Q. Do you recall discussing any of the 22 other columns on this page with Mr. Friedt? 23 A. No. I don't think so. 24 Q. What about the document that's been 25 marked as Exhibit 1? The net payment column,</p>	<p style="text-align: right;">Page 60</p> <p>1 R. Gonda - by Ms. Lipman 2 document down -- other than what we have 3 discussed with respect to your initial 4 telephone conversation with Mr. Friedt, the two 5 meetings, and your meeting with a gentleman who 6 brought you your cash surrender check, did you 7 have any other discussions with anyone at 8 MetLife regarding this policy? 9 A. No. 10 Q. Did you have any discussions with 11 anyone regarding this policy? 12 A. No. 13 Q. Why did you decide to institute this 14 lawsuit or file this lawsuit? 15 A. I was contacted by mail. 16 Q. By whom? 17 A. (Pointing.) 18 Q. When you point to Ms. Ernsberger, 19 you mean the Behrend & Ernsberger firm? 20 A. Yes. 21 Q. What did you receive from them in 22 the mail? 23 A. I received a letter and they told me 24 to call them. 25 Q. Do you still have a copy of the</p>

15 (Pages 57 to 60)